

MARICOPA COUNTY
EMPLOYEE BENEFITS TRUST FUND
Statements of Revenues, Expenses, and
Changes in Net Assets — Internal Service Funds
YTD as of December 31, 2011

1/9/2012

	YTD 12/31/2011	Full Year 6/30/2011	Full Year 6/30/2010
Operating revenues:			
Operating income	\$ 62,101,972	\$ 119,211,913	112,927,735
Other income		884	97,894
Investment income	151,047	498,476	779,620
Total operating revenues	<u>\$ 62,253,019</u>	<u>\$ 119,711,273</u>	<u>\$ 113,805,250</u>
Operating expenses:			
Losses and loss expenses	53,382,281	111,900,464	101,098,908
All other expenses	3,527,467	8,621,004	13,570,703
Total operating expenses	<u>\$ 56,909,748</u>	<u>\$ 120,521,468</u>	<u>\$ 114,669,611</u>
Nonoperating revenues:			
Capital contributions		49,990	
Transfers to Other Funds		(1,380,291)	
Loss on disposal of capital assests	0	(3,273)	
Total nonoperating revenues	<u>0</u>	<u>(1,333,574)</u>	<u>0</u>
Change in net assets	<u>5,343,271</u>	<u>(2,143,770)</u>	<u>(864,361)</u>
Total net assests - Beginning	<u>41,023,133</u>	<u>43,166,902</u>	<u>44,031,264</u>
Total net assests - Ending	<u>\$ 46,366,404</u>	<u>\$ 41,023,133</u>	<u>\$ 43,166,902</u>

Maricopa County
Employee Benefits Trust Funds
Statements of Net Assets - Internal Service Funds
December 31, 2011, June 30, 2011, and June 30, 2010

		12/31/2011	6/30/2011	6/30/2010
Assets	Note			
Cash and cash equivalents		\$ 60,823,355	\$ 57,181,449	\$ 56,235,460
Interest receivable	1	3,563	3,563	81,358
Accounts receivable	2	804,520	898,195	1,260,064
Prepaid insurance	3	102,572	852,807	110,532
Capital assets, net	4	0	0	4,013
Total assets		<u>61,734,009</u>	<u>58,936,014</u>	<u>57,691,427</u>
Liabilities				
Accounts payable	5	132,247	124,271	512,556
Accrued Liabilities	6	2,506,098	2,382,967	3,243,514
Employee compensation payable	7	3,293,071	3,290,574	2,263,426
Reserve for losses and loss expenses	8	9,436,189	12,115,069	8,505,029
Total liabilities		<u>15,367,605</u>	<u>17,912,881</u>	<u>14,524,525</u>
Net Assets				
Invested in capital assets		0	0	4,013
Unrestricted (deficit)		46,366,404	41,023,133	43,162,889
Total net assets (deficit)		<u>\$ 46,366,404</u>	<u>\$ 41,023,133</u>	<u>\$ 43,166,902</u>

MARICOPA COUNTY
EMPLOYEE BENEFITS TRUST FUNDS
Fund Balance Roll-Forward
Six Months Ended December 31, 2011

1/9/2012

<u>Self Insured Funds</u>				<u>Fund Balance</u>	<u>Fund Balance</u>
<u>Fund</u>	<u>Expenditures</u>	<u>Revenues</u>	<u>Net</u>	<u>7/1/2011</u>	<u>12/31/2011</u>
601-CMG HIGH OPTION	\$ 17,803,550	\$ 19,594,348	\$ 1,790,798	\$ (961,081)	\$ 829,717
602-CMG LOW OPTION	432,280	598,328	166,047	920,801	1,086,848
603-OAP IN	6,330,958	8,324,506	1,993,548	(4,270,249)	(2,276,701)
604-OAP HIGH OPTION	15,023,577	14,040,704	(982,873)	(1,839,967)	(2,822,840)
605-OAP LOW OPTION	832,243	1,212,675	380,432	1,232,250	1,612,682
606-CHOICE FUND H.S.A.	3,676,554	4,455,351	778,798	(66,874)	711,924
614-BEHAVIORAL HEALTH	790,492	1,033,517	243,025	4,951,829	5,194,854
Total Medical & BH	\$ 44,889,653	\$ 49,259,429	\$ 4,369,775	\$ (33,291)	\$ 4,336,485
629-SI DENTAL	1,960,124	1,893,301	(66,823)	4,824,764	4,757,941
Total Dental	\$ 1,960,124	\$ 1,893,301	\$ (66,823)	\$ 4,824,764	\$ 4,757,941
608-COINSURANCE	\$ 6,248,362	\$ 5,454,994	\$ (793,368)	\$ 19,607,116	\$ 18,813,748
609-CONSUMER CHOICE	863,865	863,326	(538)	1,319,597	1,319,059
Total Pharmacy	\$ 7,112,227	\$ 6,318,320	\$ (793,907)	\$ 20,926,713	\$ 20,132,806
623-VISION	\$ 828,009	\$ 712,360	\$ (115,649)	\$ 249,919	\$ 134,270
	(0)		0		0
Total Vision	\$ 828,009	\$ 712,360	\$ (115,649)	\$ 249,919	\$ 134,270
615-WELLNESS	\$ 258,303	\$ 748,115	489,812	2,314,788	2,804,600
616-CONTRACT ADMINISTRATION	\$ 143,257	\$ 140,038	(3,219)	582,642	579,423
617-MED INCENTIVE AND PENALTIES			0	0	0
618-BENEFIT ADMINISTRATION	\$ 871,724	\$ 1,372,503	500,778	3,626,733	4,127,511
999-BENEFITS CLEARING	0	881,517	881,517	0	881,517
Total Other	\$ 1,273,285	\$ 3,142,172	\$ 1,868,888	\$ 6,524,163	\$ 8,393,051
Grand Total	\$ 56,063,298	\$ 61,325,581	\$ 5,262,284	\$ 32,492,268	\$ 37,754,552

Employee Self Insured Funds

			\$ -	\$ -	\$ -
611-60 PERCENT STD	709,051	704,070	(4,981)	6,794,505	6,789,524
612-50 PERCENT STD	108,934	152,278	43,344	1,106,728	1,150,072
613-40 PERCENT STD	28,465	71,090	42,625	629,632	672,257
Total STD	\$ 846,450	\$ 927,438	\$ 80,988	\$ 8,530,866	\$ 8,611,854
Total Self-Insured	\$ 56,909,748	\$ 62,253,019	\$ 5,343,271	\$ 41,023,134	\$ 46,366,406

Fully Insured (Agency) Funds

<u>Fund</u>	<u>Expenditures</u>	<u>Revenues</u>	<u>Net</u>	<u>Fund Balance</u>	<u>Fund Balance</u>
				<u>7/1/2011</u>	<u>12/31/2011</u>
607-FI DENTAL PPO	\$ 2,473,714	\$ 2,466,808	\$ (6,906)	\$ 71,235	\$ 64,329
625-FI PREPAID DENTAL	191,971	191,513	(458)	110,058	109,600
Total Dental	\$ 2,665,685	\$ 2,658,321	\$ (7,364)	\$ 181,293	\$ 173,929
621-FLEX SPENDING HEALTH	\$ 1,620,329	\$ 1,292,710	\$ (327,620)	\$ -	\$ (327,620)
622-FLEX SPENDING DEP CARE	285,188	400,949	115,762	0	115,761.56
Total FSA	\$ 1,905,517	\$ 1,693,659	\$ (211,858)	\$ -	\$ (211,858)
626-FI LIFE AND AD AND D	\$ 520,103	\$ 532,549	\$ 12,446	\$ 29,287	\$ 41,733
627-SUPPLEMENTAL LIFE	1,852,787	1,834,299	(18,488)	257,652	239,164
630-DEPENDENT LIFE	249,088	248,502	(586)	13,131	12,545
Total Life and AD&D	\$ 2,621,978	\$ 2,615,350	\$ (6,628)	\$ 300,070	\$ 293,442
628-EMPLOYEE ASSISTANCE	102,152	102,092	(60)	917	857
631-VOLUNTARY BENEFITS	231,186	243,836	12,650	3,078	15,728
632-CIGNA FOR SENIORS	311,625	350,450	38,825	66,940	105,765
Total Others	\$ 644,963	\$ 696,378	\$ 51,415	\$ 70,935	\$ 122,350
Total Agency Funds	\$ 7,838,143	\$ 7,663,707	\$ (174,435)	\$ 552,298	\$ 377,863
Less: Agency Fund Adjustments					
Total Fund Balance	\$ 64,747,891	\$ 69,916,727	\$ 5,168,836	\$ 41,575,432	\$ 46,744,268

Employee Benefits Trust Funds
Balance Sheet Details
December 31, 2011, June 30, 2011, and June 30, 2010

1/9/2012

	12/31/2012	6/30/2011	6/30/2010
<u>Accounts receivable</u>			
<i>COBRA Receivable</i>	\$ 95,887	\$ 113,352	\$ 436,144
<i>Vision</i>	1,078		
<i>Dental</i>	2,500		
<i>WHI Rebate</i>	705,055	784,843	823,920
Total Accounts receivable	\$ 804,520	\$ 898,195	\$ 1,260,064

<u>Prepaid insurance</u>			
<i>STD</i>	\$ 97,716	\$ 97,716	\$ 105,544
<i>Vision</i>	4,856	4,856	4,988
<i>H.S.A</i>	0	750,235	
Total prepaid insurance	\$ 102,572	\$ 852,807	\$ 110,532

<u>Accounts payable</u>			
<i>Medical</i>	\$ -	\$ -	\$ 378,664
<i>Behavioral Health</i>	\$ 10,976	32,500	24,000
<i>Vision</i>	\$ 99,716	300	6,362
<i>Dental</i>			
<i>STD</i>		13,007	23,743
<i>WELLNESS</i>	600	16,705	1,512
<i>616-CONTRACT ADMINISTRATION</i>	19,910	37,543	21,107
<i>618-BENEFIT ADMINISTRATION</i>	1,045	24,217	57,167
Total accounts payable	\$ 132,247	\$ 124,271	\$ 512,556

<u>Accrued Liabilities</u>			
<i>Medical</i>	\$ 1,411,676	\$ 1,470,817	\$ 2,272,774
<i>Pharmacy</i>	623,408	650,525	657,132
<i>Behavioral Health</i>	0	0	
<i>Vision</i>			141,657
<i>Dental</i>	411,702	261,625	121,960
<i>STD</i>	35,838		
<i>616-CONTRACT ADMINISTRATION</i>	23,474		
<i>618-BENEFIT ADMINISTRATION</i>	0		
<i>HEALTH SELECT SI TRUST</i>			49,990
Total Accrued Liabilities	\$ 2,506,098	\$ 2,382,967	\$ 3,243,514

<u>Employee compensation payable</u>			
<i>Consumer Choice Pharmacy Employee Allowance</i>	\$ 3,122,217	\$ 3,166,021	\$ 2,124,477
<i>Employee compensation payable</i>	127,050	124,553	138,949
<i>H.S.A</i>	43,804	0	
Total Employee Comp Accrual	\$ 3,293,071	\$ 3,290,574	\$ 2,263,426

<u>Reserve for losses and loss expenses -IBNR Details</u>			
<i>Medical</i>	\$ 8,312,823	\$ 10,991,704	\$ 7,444,933
<i>Pharmacy</i>			
<i>Behavioral Health</i>	178,642	178,642	252,691
<i>Vision</i>	91,554	91,554	52,502
<i>Dental</i>	409,517	409,517	374,756
<i>STD</i>	443,654	443,654	380,147
Total Reserve for losses and loss expenses	\$ 9,436,189	\$ 12,115,071	\$ 8,505,029

MARICOPA COUNTY
EMPLOYEE BENEFITS TRUST FUNDS
Notes to Financial Statements
December 2011

NOTE 1 – Interest Receivable Held with the Treasurer

Interest Receivable represents the Trust's share of the amortization of zero coupon bond discounts and the unpaid but earned portion of bond coupons which are normally paid every six months on varying dates. The trust has all cash invested with the Maricopa County Treasurer in the investment pool. This pool consists of U S Government Securities that have up to a three year maturity.

NOTE 2 – Accounts Receivable

Accounts Receivable included \$705,055 for WHI Rebates, \$1,078 for Vision, \$2,500 for Dental, and \$95,887 for the American Recovery and Reinvestment Act (ARRA) program receivables for employees on COBRA as of December 2011.

NOTE 3 – Pre-Paid Insurance

Pre-Paid insurance included \$97,716 for Sedgwick, and \$4,856 for Vision plan.

NOTE 4 – Capital Equipment

This is for the Ergonomics AstroVan purchased in 2000. All equipment has been fully depreciated as of June 30, 2011.

NOTE 5 – Accounts Payable

Accounts Payable included \$10,976 for Behavioral Health, \$99,716 for Vision, \$600 for Wellness, \$19,909.92 for Mercer Consulting, and \$1,045 for Serene corporation.

NOTE 6 – Accrued Liabilities

Accrued Liabilities fluctuates monthly mainly due to the amount of outstanding checks that have not been cashed by providers. That included \$1,411,676 for Medical, \$623,408 for Pharmacy, \$411,702 for Dental, \$35,838 for STD, and \$23,474 (Mercer \$11,667 & Optimum \$11,807) for Contract Administration.

NOTE 7 – Employee Compensation Payable

Employee Compensation Payable includes in FY2011 unused employee pharmacy allowance for the WHI Consumer Choice Pharmacy plan of \$3.1 million. The remaining balance is accrued salaries as of month end, plus employee vacations earnings payable.

NOTE 8 – Reserve for losses and loss expenses

The funds establish claims liabilities based on estimates of the ultimate cost of claims (including future claim adjustment expenses) that have been reported but not settled, and of claims that have been incurred but not reported.